

Cadence Opportunities Fund returned a positive performance of 1.4% in October, compared to the All Ordinaries Accumulation Index which was up 5.7% for the month. Year to date the fund and the All Ordinaries Accumulation Index are both up 6.5%. The top contributors to performance during the month were Syrah Resources, Tietto Minerals, Stanmore Coal, AMP and Fortescue Metals Group. The largest detractors from performance were Terracom and AJ Lucas Group.

The Australian market has performed poorly over the past six months as interest rates continued to rise. However, markets staged a strong recovery in October driven by large price increases in Financials (up 12%), Oil and Gas (up around 10%) and Real Estate (up around 9%). However, the thermal coal price fell significantly in October after a prolonged two-year rally. This affected Australian producers such as Whitehaven Coal, New Hope, Terracom, Bowen Coking Coal and Australian Pacific Coal and Stanmore to a lesser extent. These stocks have been major positive contributors to the fund's performance over the past two years. We have reduced the size of coal positions in the portfolio and will continue to do so if the coal price and coal producers trend lower. Resource stocks performed well for the fund and were added to, whilst short positions also aided performance.

Fully Franked Year-End Dividend

During the month the Company paid its 7.5 cents per share fully franked year-end dividend, bringing the full year dividend to 15.0 cents per share fully franked. This 2022 full year dividend of 15.0 cents per share fully franked equates to an 6.5% fully franked yield or an 9.3% gross yield (grossed up for franking credits) based on the September month end share price of \$2.30 per share. After paying this dividend the Company still has 44 cents per share of profits reserves to pay future dividends.

Upcoming AGM and Investor Briefing

We would like to remind you that we are holding our AGM and Investor Briefing at the Museum of Sydney, Warrane Theatre, at 1:30pm (AEDT) on Wednesday 16th November 2022. A dial-in facility is available for those investors that are not able to attend the AGM and Investor Briefing in person. The numbers to dial are as follows:

- Toll Free Australia - 1800 809 971
- Toll Free Australia Back Up - 1800 558 698

A webcast of the Investor Briefing will also be made available online sometime after the meeting. If you have any questions that you would like answered at the AGM please can you email them to info@cadencecapital.com.au.

Fund NTA

Net Tangible Assets as at 31st October 2022	Amount (\$)
Pre Tax NTA*	\$2.312
Post Tax NTA*	\$2.325
Share Price (ASX Code: CDO)*	\$2.300

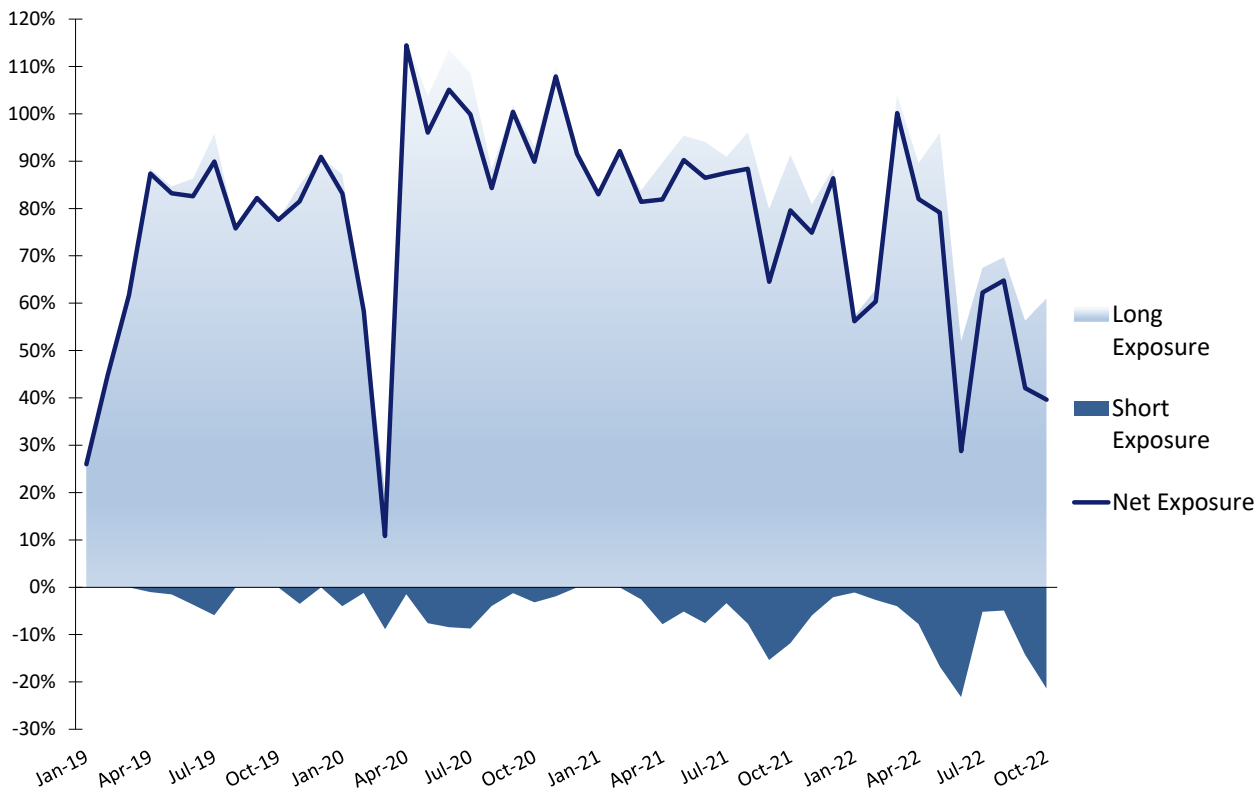
*After the 7.5c fully franked final dividend paid 28 Oct 2022

Fund Performance

Gross Performance* to 31st October 2022	CDO
1 Month	1.4%
YTD	6.5%
1 Year	-14.0%
2 Years (per annum)	24.0%
Since Inception (per annum)	37.5%
Since Inception (3.8 years) (total return)	238.8%

* Gross Performance: before Management and Performance Fees

Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Energy	22.9%		22.9%
Basic Materials	17.1%	-9.5%	7.6%
Consumer, Cyclical	6.2%		6.2%
Financial	4.8%	-0.5%	4.3%
Consumer, Non-cyclical	5.1%	-2.7%	2.4%
Diversified	1.7%		1.7%
Communications	1.1%		1.1%
Industrial	1.7%	-3.8%	-2.1%
Technology	0.6%	-4.9%	-4.3%
	61.0%	-21.4%	39.6%

Net Cash Holdings **60.4%**

Portfolio Positions

Stock Code	Position	Direction	Exposure	Stock Code	Position	Direction	Exposure
360	Life360 Inc	Long	AUD	MAY	Melbana Energy Ltd	Long	AUD
AJL	AJ Lucas Group Ltd	Long	AUD	NHC	New Hope Corp Ltd	Long	AUD
ALL	Aristocrat Leisure Ltd	Long	AUD	NVDA US	NVIDIA Corp	Short	AUD
AMP	AMP Ltd	Long	AUD	NWL	Netwealth Group Ltd	Short	AUD
AQC	Australian Pacific Coal Ltd	Long	AUD	QAN	Qantas Airways Ltd	Long	AUD
ATL	Apollo Tourism & Leisure Ltd	Long	AUD	RMD	Resimac Group Inc	Long	AUD
BCB	Bowen Coking Coal Ltd	Long	AUD	SMR	Sims Ltd	Long	AUD
BHP	BHP Group Ltd	Long	AUD	SRX	Stanmore Resources Ltd	Long	AUD
BKT	Black Rock Mining Ltd	Long	AUD	SYA	Sayona Mining Ltd	Short	AUD
CHN	Chalice Gold Mines Ltd	Short	AUD	SYR	Syrah Resources Ltd	Long	AUD
COI	Comet Ridge Ltd	Long	AUD	TER	Terracom	Long	AUD
DAC US	Danoas Corp	Short	AUD	TEVA US	Teva Pharmaceutical SP	Long	AUD
FMG	Fortescue Metals Group Ltd	Short	AUD	TGH US	Textainer Group Holdings Ltd	Short	AUD
IGL	IVE Group Ltd	Long	AUD	TIE	Tietto Minerals Ltd	Long	AUD
ILU	Iluka Resources Ltd	Short	AUD	TMC US	TMC The Metal Company Inc	Long	AUD
JLG	Johns Lyng Group	Short	AUD	TSM US	Taiwan Semiconductor Manufacturing	Short	AUD
KAR	Karoon Energy Ltd	Long	AUD	WDS	Woodside Energy Group Ltd	Long	AUD
LPI	Lithium Power International Ltd	Long	AUD	WHC	Whitehaven Coal Ltd	Long	AUD
LYC	Lynas Corp Ltd	Long	AUD				

News

Karl Siegling has recently been interviewed on the following shows, all of which all can be watched or listened to:

- Alan Kohler Interviews Karl Siegling for Eureka Report ([Click here](#) to listen);
- James Whelan interviews Karl Siegling on the BIP show ([Click here](#) to listen); and
- Lelde Smits interviews Karl Siegling at TCN's Emerging ASX Gems Investment Conference ([Click here](#) to watch).

In July the Company released its [June 2022 Year end Audiocast](#). In this year-end audiocast, Karl Siegling firstly provides an update on the Company's performance, the 7.5c fully franked year-end dividend, the current portfolio composition and the increasing interest rate trend. Karl Siegling, Charlie Gray and Jackson Aldridge then discuss some of the funds core investments (WHC, NHC, PYPL US, AMP) and some of the funds trading positions (SMR, BCB, TIE, DHG, PNI, NAN and CCX). Karl Siegling then finishes with an update on the outlook for 2023.

We encourage you to visit our [52 books you should read before buying your next stock](#) page on our website. We have compiled a list of books/ documentaries that have influenced our investment style or helped provide insight into the investment process. To view all previous Cadence webcasts and press articles, please visit the [Media Section](#) of the website.

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